

Memorandum



Date: October 18, 2004

To: Hon. Chairperson Barbara Carey-Shuler, Ed. D.
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Subject: Local Small Car Rental Program at Miami International Airport

Not on

Agenda Item No. 1(E)7

The following historical information is provided in support of two items appearing on today's agenda regarding the proposed race-neutral Local Small Car Rental (LSCR) Program, providing for a size standard and a net worth of the owner(s), and approval to advertise the three remaining in-terminal car rental positions -- one to be reserved for a LSCR -- for the Interim Period until the Consolidated Rental Car Facility (RCF) at the Miami Intermodal Center (MIC) opens.

Adoption of the LSCR program will allow one in-terminal car rental concession to be set-aside for an LSCR company that has already executed a concession agreement or a letter of intent to locate their operations into the proposed RCF. Approval of this item codifies the requirement of Resolution 851-01 to enact "a small business or other assistance program." It in no way affects the allocation of space and equipment in the RCF.

The second item requests approval to advertise the three remaining in-terminal car rental positions -- one to be reserved for a LSCR -- for the Interim Period until the RCF opens. By allowing MDAD to advertise and award these positions, one local small car rental company will have an opportunity to operate within an airport environment before relocating into the RCF.

Previously, Resolutions 684-00, 659-01 and 851-01 established parameters for rental car company agreements with the County. The main provisions of actions authorized under these resolutions included:

- An increase in the number of in-terminal car rental concessionaires from 6 to 12;
- Establishment of two categories --
 - Eight Tier 1A positions, which provide car rental companies with two-position counters and permit them to operate their courtesy vehicles in the inside lower commercial lane in front of the Terminal, and
 - Four Tier 1B positions providing one-position counters and authorizing operation of the companies' courtesy vehicles in the outside lower lane in front of the Terminal
- Reservation for two Tier 1A positions for DBE/LSCR companies (one position for Royal Rent-a-Car, a DBE, and the second for Globetrotter or its successor. [Globetrotter attempted to reorganize but was unable to; however, a position will be bid as a set aside for eligible LSCR companies if the LSCR Program is approved.])
- Provision for payment by the DBE participants to the Miami-Dade Aviation Department (MDAD) of a concession fee of 4.5% of gross revenue, with the remaining car rental companies paying MDAD a concession fee of 9% of gross revenue.
- Awarding of the contracts based on the highest minimum annual guaranteed payments bid by such companies.
- Waiving of all bid protest procedures and competitive bid procedures;

- The award of four (4) Interim Period on-airport car rental company concession agreements, three (3) of which shall be Tier 1A agreements with Royal Rent-A-Car, Alamo Rent-A-Car, L.L.C., and Budget Rent A Car Systems, Inc., and one (1) of which shall be a Tier 1B agreement with InterAmerican Car Rental, Inc.;
- Authorized the County Manager to continue, on a month-to-month basis, the existing four (4) on-airport car rental company concession agreements with The Hertz Corporation, Avis Rent-A-Car System, Inc., National Car Rental Systems, Inc., and Scamp Auto Rental, Inc., d/b/a Dollar Systems, Inc.;
- Provided that the one remaining Tier 1A Interim Period on-airport car rental position be held open until presentation to the Board by the County Manager of a small business or other assistance program; that program being the one proposed for approval today.


Assistant County Manager